

10 September 2015

Chorus Limited
Level 10
State Insurance Tower
1 Willis Street
Wellington

Attention: Vanessa Oakley, General Counsel and Company Secretary

Dear Ms Oakley

Notice to supply information and documents to the Commerce Commission under sections 98(a) and (b) of the Commerce Act 1986 via section 15(f) of the Telecommunications Act 2001

1. I attach a notice issued under section 98(a) and (b) of the Commerce Act 1986 (Notice) which requires Chorus Limited to supply the information specified in the Notice to the Commerce Commission (Commission). This letter does not form part of the Notice, but is provided to assist you in complying with the Notice.
2. You may wish to seek legal advice about the Notice.

The Commission

3. We (the Commission) are a statutory body established under the Commerce Act. The purpose of the Commerce Act is to promote competition in markets for the long-term benefit of consumers within New Zealand.
4. Section 98 of the Commerce Act allows us to require a person to furnish us with information and produce any documents or classes of documents, where we consider this necessary or desirable for the purposes of carrying out our functions and exercising our powers under the Commerce Act.
5. Section 15(f) of the Telecommunications Act 2001 states that the provisions of section 98 of the Commerce Act apply to the Telecommunications Act.

6. We have functions under both the Commerce Act and the Telecommunications Act. One of our functions under Subpart 2A of Part 2 of the Telecommunications Act is to determine the terms (including the price) on which a designated access service must be supplied to access seekers.

The Notice

7. We are reviewing the price to be paid for the Unbundled Copper Local Loop (UCLL) and Unbundled Bitstream Access (UBA) services provided by Chorus Limited, as defined in subpart 1 of Part 2 of Schedule 1 of the Telecommunications Act 2001 (Telecommunications Act).
8. The Notice seeks information and documents which are desirable for our pricing reviews in relation to the UCLL service and the UBA service.
9. This letter and the Notice will be placed on our website.

Response to the Notice

10. The information and documents in response to this Notice must be delivered to the Commission's Wellington office at Level 6, 44 The Terrace for the attention of Tricia Jennings, or by email to telco@comcom.govt.nz with the subject "Response to section 98 Notice – UCLL and UBA", by **5pm on 24 September 2015** in respect of the information sought in Attachment A.
11. Chorus Limited must provide all information in Attachment A to the Notice in electronic format via email.
12. Chorus Limited must supply the requested information under cover of a letter on Chorus Limited's letterhead, signed by a person with the appropriate authority.

Compliance with the Notice

13. It is an offence under section 103 of the Commerce Act to fail to comply with the Notice, or to knowingly give false or misleading information and documents to us.
14. Chorus Limited should contact us as soon as possible if it will be unable to provide all of the requested information and documents by the due date. When contacting us Chorus Limited must set out in writing why it is unable to comply with the Notice.
15. If Chorus Limited is unable to provide any of the requested information and documents, and/or any of the requested information and documents are not in its control, it must fully explain the reasons and circumstances in its response to each request concerned.

Further enquiries

16. Please direct any enquiries in relation to the Notice to Tricia Jennings at the Commission's Wellington Office, direct dial 04 924 3716 or email: telco@comcom.govt.nz.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Elisabeth Welson', with a long horizontal flourish extending to the right.

Elisabeth Welson
Commissioner

Relevant extracts from the Commerce Act 1986

Section 98

Commission may require person to supply information or documents or give evidence

Where the Commission considers it necessary or desirable for the purposes of carrying out its functions and exercising its powers under this Act, the Commission may, by notice in writing served on any person, require that person -

- (a) to furnish to the Commission, by writing signed by that person or, in the case of a body corporate, by a director or competent servant or agent of the body corporate, within the time and in the manner specified in the notice, any information or class of information specified in the notice; or
- (b) to produce to the Commission, or to a person specified in the notice acting on its behalf in accordance with the notice, any document or class of documents specified in the notice; or

...

Section 101

Notices

- (1) Any notice given by the Commission under or for the purposes of this Act shall be sufficiently given if it is in writing under the seal of the Commission or is signed by the chairperson, or by one or more of the members of the Commission, or by any persons purporting to act by direction of the Commission, and is served in accordance with section 102 on the person or persons primarily concerned therewith or on any person or organisation deemed by the Commission to represent the person or persons primarily concerned therewith.

....

Section 103 (relevant provisions)

Offences

- (1) No person shall –
 - (a) without reasonable excuse, refuse or fail to comply with a notice under ... [section] 98; or
 - (b) in purported compliance with such a notice, furnish information, or produce a document, or give evidence, knowing it to be false or misleading; or

...

- (2) No person shall attempt to deceive or knowingly mislead the Commission in relation to any matter before it.

...

- (4) Any person who contravenes subsection (1) or subsection (2) or subsection (3) commits an offence and is liable on summary conviction to a fine not exceeding \$10,000 in the case of an individual, or \$30,000 in the case of a body corporate.
- (5) Proceedings for an offence against subsection (4) may be commenced within 6 months after the matter giving rise to the contravention was discovered or ought reasonably to have been discovered.

Section 106**Proceedings privileged**

-(4) A person shall not be excused from complying with any requirement to furnish information, produce documents, or give evidence under this Act, or, on appearing before the Commission, from answering any question or producing any document, on the ground that to do so might tend to incriminate that person.
- (5) A statement made by a person in answer to a question put by or before the Commission shall not in criminal proceedings or in proceedings for pecuniary penalties of this Act, be admissible against that person.
- (6) Nothing in subsection (5) applies in respect of—
- (a) proceedings on a charge of perjury against the maker of the statement; or
 - (b) proceedings on a charge of an offence against section 103.
- ...
- (9) Anything said, or any information furnished, or any document produced or tendered, or any evidence given by any person to the Commission, shall be privileged in the same manner as if that statement, information, document, or evidence were made, furnished, produced, or given in proceedings in a court.
- (10) For the purposes of clause 3 of Part 2 of Schedule 1 to the Defamation Act 1992, any statement, document, determination, clearance, authorisation, or decision made by the Commission in the exercise or intended exercise of any of its functions or powers shall be deemed to be an official report made by a person holding an inquiry under the authority of the Parliament of New Zealand.

Notice to supply information and documents to the Commerce Commission Sections 98(a) and (b) Commerce Act 1986

To:

Chorus Limited
Level 10
State Insurance Tower
1 Willis Street
Wellington

Attention: Vanessa Oakley, General Counsel and Company Secretary

Purpose of the Notice

1. We (the Commerce Commission) are reviewing the price to be paid for the Unbundled Copper Local Loop (UCLL) and Unbundled Bitstream Access (UBA) services provided by Chorus Limited, as defined in subpart 1 of Part 2 of Schedule 1 of the Telecommunications Act 2001 (Telecommunications Act).
2. The purpose of this Notice is to obtain information relevant to our pricing review determinations for the UCLL and UBA services.
3. The Notice is issued under sections 98(a) and (b) of the Commerce Act, and section 15(f) of the Telecommunications Act.
4. We consider it is desirable for Chorus Limited to provide us with the information specified in **Attachment A** to this Notice to assist us in making the price review determinations.

Date and place of response

5. The information and documents in response to this Notice must be delivered to the Commission's Wellington office at Level 6, 44 The Terrace for the attention of Tricia Jennings, or by email to telco@comcom.govt.nz with the subject "Response to section 98 Notice – Update on Pole Sharing Costs", by **5pm on 24 September 2015** in respect of the information sought in Attachment A.
6. Chorus Limited must provide all information and documents in Attachment A in electronic format via email.
7. Chorus Limited must label and identify all information.

8. Chorus Limited must supply the requested information and documents under cover of a letter on Chorus Limited's letterhead, signed by a person with the appropriate authority.

Dated at Wellington 10 September 2015

Signed by:



Elisabeth Welson

Commissioner

Attachment A

1. Please provide the following in respect of Chorus' copper and fibre access and core networks:
 - 1.1 Information and any relevant documents that Chorus has on the commercial and technical terms under which Chorus continues to use poles of third parties, e.g., local power companies, which are new or have been amended since Chorus provided us with information on 20 May 2014 in response to our section 98 notice dated 17 April 2014, for the purpose of:
 - 1.1.1 fibre and/or copper lead-in services; and
 - 1.1.2 fibre and/or copper local access distribution and feeder networks.
2. For the avoidance of doubt, this should include information used to calculate the 'Weighted Average per Pole Rental Charge' in Table A1 in paragraph 389 of Appendix A in Chorus' submission on the Further Draft Determination for UCLL and UBA dated 2 July 2015.

